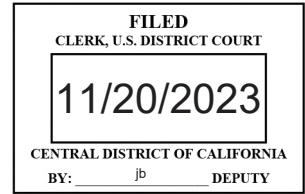


E. MARTIN ESTRADA  
United States Attorney  
MACK E. JENKINS  
Assistant United States Attorney  
Chief, Criminal Division  
DAN G. BOYLE (Cal. Bar No. 332518)  
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Asset Forfeiture & Recovery Section  
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Attorneys for Plaintiff  
UNITED STATES OF AMERICA

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

BON KOO,

Defendant.

No.2:23-cr-00568-DSF-1

PLEA AGREEMENT FOR DEFENDANT  
BON KOO

1. This constitutes the plea agreement between Bon Koo ("defendant") and the United States Attorney's Office for the Central District of California (the "USAO") in the above-captioned case. This agreement is limited to the USAO and cannot bind any other federal, state, local, or foreign prosecuting, enforcement, administrative, or regulatory authorities.

DEFENDANT'S OBLIGATIONS

2. Defendant agrees to:

a. Give up the right to indictment by a grand jury and, at the earliest opportunity requested by the USAO and provided by the Court, appear and plead guilty to Count Two of an information in the

1 form attached to this agreement as Exhibit A, or a substantially  
2 similar form, which charges defendant with Failure to Maintain an  
3 Effective Anti-Money Laundering Program in violation of 31 U.S.C.  
4 §§ 5318(h), 5322 and 18 U.S.C. § 2(a).

5 b. Not contest facts agreed to in this agreement.

6 c. Abide by all agreements regarding sentencing contained  
7 in this agreement.

8 d. Appear for all court appearances and obey any other  
9 ongoing court order in this matter.

10 e. Not commit any crime; however, offenses that would be  
11 excluded for sentencing purposes under United States Sentencing  
12 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not  
13 within the scope of this agreement.

14 f. Be truthful at all times with Pretrial Services, the  
15 United States Probation Office, and the Court.

16 g. Pay the applicable special assessment at or before the  
17 time of sentencing.

18 h. Execute the Department of the Treasury - Internal  
19 Revenue Service Forms 13727 attached as Exhibits B and C. However,  
20 defendant need not provide a written statement of weaknesses,  
21 deficiencies, or violations, or a statement of intended corrective  
22 actions, as referenced therein.

23 THE USAO'S OBLIGATIONS

24 3. The USAO agrees to:

25 a. Not contest facts agreed to in this agreement.

26 b. Abide by all agreements regarding sentencing contained  
27 in this agreement.

1           c. At the time of sentencing, provided that defendant  
2 demonstrates an acceptance of responsibility for the offense up to  
3 and including the time of sentencing, recommend a two-level reduction  
4 in the applicable Sentencing Guidelines offense level, pursuant to  
5 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an  
6 additional one-level reduction if available under that section.

7           d. Except for criminal tax violations (including  
8 conspiracy to commit such violations chargeable under 18 U.S.C.  
9 § 371), not to further criminally prosecute defendant for any  
10 additional violations known to the USAO at the time of the plea  
11 arising out of defendant's conduct described in the agreed-to factual  
12 basis set forth in paragraph 7 below or arising out of facts known to  
13 the USAO at the time of the plea. Defendant understands that the  
14 USAO is free to criminally prosecute defendant for any other unlawful  
15 past conduct or any unlawful conduct that occurs after the date of  
16 this agreement. Defendant agrees that at the time of sentencing the  
17 Court may consider the uncharged conduct in determining the  
18 applicable Sentencing Guidelines range, the propriety and extent of  
19 any departure from that range, and the sentence to be imposed after  
20 consideration of the Sentencing Guidelines and all other relevant  
21 factors under 18 U.S.C. § 3553(a).

22           e. Recommend that defendant be sentenced to a term of  
23 community confinement pursuant to U.S.S.G. § 5C1.1.

24                           NATURE OF THE OFFENSES

25           4. Defendant understands that for defendant to be guilty of  
26 the crime charged in the count two of the information, that is,  
27 Failure to Maintain an Effective Anti-Money laundering program, in  
28

1 violation of 31 U.S.C. §§ 5318(h)(1) and 5322(b), the following must  
2 be true:

3 a. Joyro Investment Inc. ("Joyro") was domestic a  
4 financial institution, as defined in 31 U.S.C. § 5312(a)(2);

5 b. Defendant failed to implement one or more of the  
6 following minimal requirements set forth by statute and regulation by  
7 the Secretary of the Treasury:

8 i. Establishing a system of effective written  
9 policies, procedures, and internal controls for one or more of the  
10 following:

11 (I) verifying customer identification;

12 (II) determining the occurrence of any  
13 transactions or patterns of transactions required to be reported  
14 in a Currency Transaction Report ("CTR") or Suspicious Activity  
15 Report ("SAR"); or

16 (III) creating and retaining CTR and/or SAR  
17 records; or

18 (IV) responding to law enforcement requests;

19 ii. Designating an individual or individuals to  
20 assure day-to-day compliance;

21 iii. Establishing training of appropriate personnel  
22 concerning their responsibilities under the program; or

23 iv. Establishing internal and/or external independent  
24 audit function to test compliance.

25 c. Defendant acted willfully in causing to fail to  
26 develop, implement, and maintain an effective anti-money laundering  
27 program, and acted with knowledge that such failures were unlawful.  
28

1           5.     A defendant may be guilty of Failure to Maintain an  
2 Effective Anti-Money Laundering Program, even if the defendant  
3 personally did not commit the act or acts constituting the crime but  
4 aided and abetted in its commission. To "aid and abet" means  
5 intentionally to help someone else commit a crime. To prove a  
6 defendant guilty of Failure to Maintain an Effective Anti-Money  
7 Laundering Program by aiding and abetting, the following must be  
8 true:

9           a.     First, someone else committed the offense of Failure  
10 to Maintain an Effective Anti-Money Laundering Program;

11           b.     Second, the defendant aided, counseled, commanded,  
12 induced or procured that person with respect to at least one element  
13 of Failure to Maintain an Effective Anti-Money Laundering Program;

14           c.     Third, the defendant acted with the intent to  
15 facilitate the Failure to Maintain an Effective Anti-Money Laundering  
16 Program; and

17           d.     Fourth, the defendant acted before the crime was  
18 completed.

19                               PENALTIES

20           6.     Defendant understands that the statutory maximum sentence  
21 that the Court can impose for a violation of 31 U.S.C. §§ 5318(h),  
22 5322(a) is: five years' imprisonment, one year of supervised release,  
23 a fine of \$250,000, and a mandatory special assessment of \$100.

24                               FACTUAL BASIS

25           7.     Defendant admits that defendant is, in fact, guilty of the  
26 offenses to which defendant is agreeing to plead guilty. Defendant  
27 and the USAO agree to the statement of facts provided below and agree  
28 that this statement of facts is sufficient to support pleas of guilty

1 to the charges described in this agreement and to establish the  
2 Sentencing Guidelines factors set forth in paragraph 9 below but is  
3 not meant to be a complete recitation of all facts relevant to the  
4 underlying criminal conduct or all facts known to either party that  
5 relate to that conduct.

6 Throughout the relevant time period, defendant was the manager  
7 of Joyro's day-to-day operations. Defendant knew that Joyro was a  
8 domestic financial institution, as defined in 31 U.S.C. § 5312(a)(2).  
9 Defendant was aware that the Bank Secrecy Act ("BSA") required the  
10 filing of CTRs with the Department of Treasury, including for any  
11 transaction involving more than \$10,000 in currency on a single day.  
12 For the purposes of filing a CTR, defendant knew that the BSA  
13 required defendant to aggregate multiple currency transactions and  
14 treat them as a single transaction if multiple transactions were  
15 conducted by or on behalf of one person in one 24-hour period.

16 Beginning on an unknown date, and continuing through in or  
17 around July of 2019, defendant, acting as manager of Joyro, would  
18 cash checks in aggregate over \$10,000 for his clients and give them  
19 more than \$10,000 the same day, without filing any CTRs. Defendant  
20 would do so by depositing one check into Bank of Hope and one check  
21 into Hanmi Bank, both under \$10,000. Defendant split these checks  
22 between the two accounts but would not file CTRs for these  
23 transactions. By submitting two checks, each in different accounts  
24 and under different names, defendant and the Entities avoided filing  
25 CTRs. Defendant would also accept multiple checks and deposit them in  
26 a single day, but he would only give his clients up to \$10,000 per  
27 day and tell them to return another day to get the other \$10,000,  
28 therefore defendant and the Entities avoided filing CTRs.

1 Defendant was also aware that the BSA required financial  
2 institutions, including Joyro, to file a SAR with the Department of  
3 Treasury for a transaction conducted or attempted involving at least  
4 \$5,000 in funds or other assets, where the financial institution  
5 knew, suspected, or has reason to suspect that the transaction (or a  
6 pattern of transactions of which the transaction was a part): (1)  
7 involves funds derived from illegal activity or was intended or  
8 conducted in order to hide or disguise funds or assets derived from  
9 illegal activity as a part of a plan to violate or evade any federal  
10 law or regulation or to avoid any transaction reporting requirement  
11 under federal law or regulation; (2) was designed, whether through  
12 structuring or other means, to evade any requirements of this part or  
13 of any other regulations promulgated under the BSA; (3) had no  
14 business or apparent lawful purpose or was not the sort in which the  
15 particular customer would normally be expected to engage, and the  
16 financial institution knew of no reasonable explanation for the  
17 transaction after examining the available facts; or (4) involved the  
18 use of the financial institution to facilitate criminal activity.

19 Defendant caused Joyro to maintain a separate account which was  
20 used to cash checks from insurance companies and attorney client  
21 trust accounts. Defendant believed these checks from insurance  
22 companies and attorneys' client trust accounts, which aggregated to  
23 more than \$5,000, were the proceeds of insurance fraud. "Runners"  
24 would bring in checks, but they were not the payees whose names were  
25 on the checks. The checks were endorsed before they were brought in,  
26 and defendant did not know if the payees were actually signing the  
27 checks. Defendant believed the checks were from an insurance fraud  
28

1 scheme based on conversations he overheard from runners discussing  
2 the fraud.

3 Finally, defendant was aware that the BSA required Joyro to  
4 develop, implement, and maintain an effective anti-money laundering  
5 program reasonably designed to prevent Joyro from being used to  
6 facilitate money laundering, by, among other elements, having  
7 effective written policies and procedures for verifying customer  
8 identification, determining whether CTRs and SARs needed to be filed,  
9 and having internal controls and independent testing to assure  
10 compliance. Although Joyro had some written policies and procedures  
11 regarding some, but not all, of the items required by the BSA,  
12 defendant, as Joyro's manager, failed to implement and maintain key  
13 portions of the written programs, such as procedures related to  
14 internal controls and independent testing.

15 Defendant acted willfully in failing to develop, implement, and  
16 maintain an effective anti-money laundering program, and acted with  
17 knowledge that such failures were unlawful.

18 SENTENCING FACTORS

19 8. Defendant understands that in determining defendant's  
20 sentence the Court is required to calculate the applicable Sentencing  
21 Guidelines range and to consider that range, possible departures  
22 under the Sentencing Guidelines, and the other sentencing factors set  
23 forth in 18 U.S.C. § 3553(a). Defendant understands that the  
24 Sentencing Guidelines are advisory only, that defendant cannot have  
25 any expectation of receiving a sentence within the calculated  
26 Sentencing Guidelines range, and that after considering the  
27 Sentencing Guidelines and the other § 3553(a) factors, the Court will  
28 be free to exercise its discretion to impose any sentence it finds



appropriate up to the maximum set by statute for the crimes of conviction.

TOTAL OFFENSE LEVEL

9. Defendant and the USAO agree to the following applicable Sentencing Guidelines factors:

Base Offense Level:	8	USSG § 2S1.3(a) (1)
Value of Funds:	+2	USSG § 2S1.3(b) (1)
Violations of BSA >\$100K in 12 months:	+2	USSG § 2S1.3(b) (2)
Acceptance of Responsibility (if applicable at sentencing):	-2	USSG § 3E1.1
Total Offense Level:	10	

10. Defendant understands that there is no agreement as to defendant's criminal history or criminal history category.

11. Defendant and the USAO reserve the right to argue for a sentence outside the sentencing range established by the Sentencing Guidelines based on the factors set forth in 18 U.S.C. § 3553(a) (1), (a) (2), (a) (3), (a) (6), and (a) (7).

12. Defendant and the USAO agree that any sentence of probation, home or community confinement, or supervised release shall include a provision barring defendant from acting as, or participating in, any check-cashing or other money-services business.

WAIVER OF CONSTITUTIONAL RIGHTS

13. Defendant understands that by pleading guilty, defendant gives up the following rights:

- a. The right to persist in a plea of not guilty.
- b. The right to a speedy and public trial by jury.

1           c.    The right to be presumed innocent and to have the  
2 burden of proof placed on the government to prove defendant guilty  
3 beyond a reasonable doubt.

4           d.    The right to confront and cross-examine witnesses  
5 against defendant.

6           e.    The right to testify and to present evidence in  
7 opposition to the charges, including the right to compel the  
8 attendance of witnesses to testify.

9           f.    Any and all rights to pursue any affirmative defenses,  
10 Fourth Amendment claims, and other pretrial motions that have been  
11 filed or could be filed.

12                   WAIVER OF APPEAL OF CONVICTION

13           14.   Defendant understands that, with the exception of an appeal  
14 based on a claim that defendant's guilty pleas were involuntary, by  
15 pleading guilty defendant is waiving and giving up any right to  
16 appeal defendant's convictions on the offenses to which defendant is  
17 pleading guilty.

18                   LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

19           15.   Defendant agrees that, provided the Court imposes sentence  
20 of community confinement, defendant gives up the right to appeal any  
21 portion of the sentence.

22           16.   The USAO agrees that, provided the Court imposes sentence  
23 corresponding to an offense level of 10 and the criminal history  
24 category calculated by the Court, the USAO gives up the right to  
25 appeal any portion of the sentence.

26                   RESULT OF WITHDRAWAL OF GUILTY PLEA

27           17.   Defendant agrees that if, after entering guilty pleas  
28 pursuant to this agreement, defendant seeks to withdraw and succeeds

1 in withdrawing defendant's guilty pleas on any basis other than a  
2 claim and finding that entry into this plea agreement was  
3 involuntary, then (a) the USAO will be relieved of all of its  
4 obligations under this agreement; and (b) should the USAO choose to  
5 pursue any charge or any civil, administrative, or regulatory action  
6 that was either dismissed or not filed as a result of this agreement,  
7 then (i) any applicable statute of limitations will be tolled between  
8 the date of defendant's signing of this agreement and the filing  
9 commencing any such action; and (ii) defendant waives and gives up  
10 all defenses based on the statute of limitations, any claim of pre-  
11 indictment delay, or any speedy trial claim with respect to any such  
12 action, except to the extent that such defenses existed as of the  
13 date of defendant's signing this agreement.

14 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

15 18. Defendant agrees that if defendant's conviction is vacated,  
16 reversed, or set aside, the USAO may: (a) ask the Court to resentence  
17 defendant on any remaining count of conviction, with both the USAO  
18 and defendant being released from any stipulations regarding  
19 sentencing contained in this agreement, (b) ask the Court to void the  
20 entire plea agreement and vacate defendant's guilty plea on any  
21 remaining count of conviction, with both the USAO and defendant being  
22 released from all their obligations under this agreement, or  
23 (c) leave defendant's remaining conviction, sentence, and plea  
24 agreement intact. Defendant agrees that the choice among these three  
25 options rests in the exclusive discretion of the USAO.

EFFECTIVE DATE OF AGREEMENT

19. This agreement is effective upon signature and execution of all required certifications by defendant, defendant's counsel, and an Assistant United States Attorney.

BREACH OF AGREEMENT

20. Defendant agrees that if defendant, at any time after the signature of this agreement and execution of all required certifications by defendant, defendant's counsel, and an Assistant United States Attorney, knowingly violates or fails to perform any of defendant's obligations under this agreement ("a breach"), the USAO may declare this agreement breached. All of defendant's obligations are material, a single breach of this agreement is sufficient for the USAO to declare a breach, and defendant shall not be deemed to have cured a breach without the express agreement of the USAO in writing. If the USAO declares this agreement breached, and the Court finds such a breach to have occurred, then: (a) if defendant has previously entered guilty pleas pursuant to this agreement, defendant will not be able to withdraw the guilty pleas, and (b) the USAO will be relieved of all its obligations under this agreement.

21. Following the Court's finding of a knowing breach of this agreement by defendant, should the USAO choose to pursue any charge or any civil, administrative, or regulatory action that was either dismissed or not filed as a result of this agreement, then:

a. Defendant agrees that any applicable statute of limitations is tolled between the date of defendant's signing of this agreement and the filing commencing any such action.

b. Defendant waives and gives up all defenses based on the statute of limitations, any claim of pre-indictment delay, or any

1 speedy trial claim with respect to any such action, except to the  
2 extent that such defenses existed as of the date of defendant's  
3 signing this agreement.

4 c. Defendant agrees that: (i) any statements made by  
5 defendant, under oath, at the guilty plea hearing (if such a hearing  
6 occurred prior to the breach); (ii) the agreed to factual basis  
7 statement in this agreement; and (iii) any evidence derived from such  
8 statements, shall be admissible against defendant in any such action  
9 against defendant, and defendant waives and gives up any claim under  
10 the United States Constitution, any statute, Rule 410 of the Federal  
11 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal  
12 Procedure, or any other federal rule, that the statements or any  
13 evidence derived from the statements should be suppressed or are  
14 inadmissible.

15 COURT AND PROBATION OFFICE NOT PARTIES

16 22. Defendant understands that the Court and the United States  
17 Probation Office are not parties to this agreement and need not  
18 accept any of the USAO's sentencing recommendations or the parties'  
19 agreements to facts or sentencing factors.

20 23. Defendant understands that both defendant and the USAO are  
21 free to: (a) supplement the facts by supplying relevant information  
22 to the United States Probation Office and the Court, (b) correct any  
23 and all factual misstatements relating to the Court's Sentencing  
24 Guidelines calculations and determination of sentence, and (c) argue  
25 on appeal and collateral review that the Court's Sentencing  
26 Guidelines calculations and the sentence it chooses to impose are not  
27 error, although each party agrees to maintain its view that the  
28 calculations in paragraph 8 are consistent with the facts of this

1 case. While this paragraph permits both the USAO and defendant to  
2 submit full and complete factual information to the United States  
3 Probation Office and the Court, even if that factual information may  
4 be viewed as inconsistent with the facts agreed to in this agreement,  
5 this paragraph does not affect defendant's and the USAO's obligations  
6 not to contest the facts agreed to in this agreement. This paragraph  
7 also does not affect defendant's and the USAO's obligations contained  
8 in paragraphs 2-3 of this Agreement.

9 24. Defendant understands that even if the Court ignores any  
10 sentencing recommendation, finds facts or reaches conclusions  
11 different from those agreed to, and/or imposes any sentence up to the  
12 maximum established by statute, defendant cannot, for that reason,  
13 withdraw defendant's guilty pleas, and defendant will remain bound to  
14 fulfill all defendant's obligations under this agreement. Defendant  
15 understands that no one -- not the prosecutor, defendant's attorney,  
16 or the Court -- can make a binding prediction or promise regarding  
17 the sentence defendant will receive, except that it will be within  
18 the statutory maximum.

19 NO ADDITIONAL AGREEMENTS

20 25. Defendant understands that, except as set forth herein,  
21 there are no promises, understandings, or agreements between the USAO  
22 and defendant or defendant's attorney, and that no additional  
23 promise, understanding, or agreement may be entered into unless in a  
24 writing signed by all parties or on the record in court.

25 //

26 //

27 //

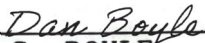
PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

26. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE  
FOR THE CENTRAL DISTRICT OF  
CALIFORNIA

E. MARTIN ESTRADA  
United States Attorney

  
DAN G. BOYLE  
Assistant United States Attorney

9.8.2023  
Date

  
BON KOO  
Defendant

7/10/2023  
Date

  
SIMON LEEN  
Attorney for Defendant  
BON KOO

9.12.2023  
Date

//


//

//



CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

  
BON KOO  
Defendant

7/10/2023  
Date

//


//

//



CERTIFICATION OF DEFENDANT'S ATTORNEY

I am BON KOO's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.

  
\_\_\_\_\_  
SIMON LEEN  
Attorney for Defendant  
BON KOO

9/12/2023  
\_\_\_\_\_  
Date

# **EXHIBIT A**

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
BON KOO and  
JOYRO INVESTMENT, INC.,  
  
Defendants.

CR No.

I N F O R M A T I O N

[31 U.S.C. §§ 5318(h)(1), 5322(a):  
Failure to Maintain an Effective  
Anti-Money Laundering Program]

The United States Attorney charges:

COUNT ONE

[31 U.S.C. §§ 5318(h)(1), 5322(a)]

[Defendant JOYRO INVESTMENT INC.]

From an unknown date to on or about July 31, 2019, in Los Angeles County, within the Central District of California and elsewhere, defendant JOYRO INVESTMENT INC. ("JOYRO") willfully failed to develop, implement, and maintain an effective anti-money laundering program for financial institutions and a money services business (as these terms are defined in the Bank Secrecy Act and in regulations issued thereunder), including, at a minimum: (a) the development of internal policies, procedures, and controls; (b) the

1 designation of a compliance officer; (c) an ongoing employee training  
2 program; and (d) an independent audit function to test programs, as  
3 required by the Secretary of the Treasury. Specifically, defendant  
4 JOYRO willfully failed to: (1) enact adequate policies, procedures,  
5 and controls to ensure that defendant JOYRO obtained adequate  
6 information about its customers and adequately reported suspicious  
7 financial transactions in accordance with the Bank Secrecy Act; (2)  
8 sufficiently train defendant JOYRO's employees to monitor for  
9 suspicious activity and comply with the Bank Secrecy Act; and  
10 (3) implement suggestions from independent examinations for  
11 compliance, which caused defendant JOYRO to fail to have sufficient  
12 procedures to protect against money laundering.


COUNT TWO

[31 U.S.C. §§ 5318(h)(1), 5322(a); 18 U.S.C. § 2(a)]

[Defendant BON KOO]

From an unknown date to on or about July 31, 2019, in Los Angeles County, within the Central District of California, and elsewhere, defendant BON KOO aided, abetted, counseled, commanded, induced, and procured Joyro Investment Inc. in the willful failure to develop, implement, and maintain an effective anti-money laundering program for financial institutions and a money services business (as these terms are defined in the Bank Secrecy Act and in regulations issued thereunder), including, at a minimum: (a) the development of internal policies, procedures, and controls; (b) the designation of a compliance officer; (c) an ongoing employee training program; and (d) an independent audit function to test programs, as required by the Secretary of the Treasury.

E. MARTIN ESTRADA  
United States Attorney



MACK E. JENKINS  
Assistant United States Attorney  
Chief, Criminal Division

JONATHAN GALATZAN  
Assistant United States Attorney  
Chief, Asset Forfeiture &  
Recovery Section

DAN G. BOYLE  
Assistant United States Attorney  
Asset Forfeiture & Recovery  
Section

# **EXHIBIT B**



**Department of the Treasury  
Internal Revenue Service  
Small Business/Self Employed Division**

Exam Operations/Specialty Examination: BSA  
9350 Flair Drive, Mail Stop 1506  
El Monte, CA 91731

Joyro Investment Inc  
9814 Garvey Ave. #21 A & B  
South El Monte, CA 91733  
Attn: Bon Kang Koo, President / Compliance Officer

**Date:**  
03/24/2023  
**Person to contact:**  
Amy Kim  
**Employee ID number:**  
1352938  
**Contact telephone number:**  
(626) 927-1386  
**Case control number:**  
458234

Dear Mr. Bon Kang Koo:

**Why you're receiving this letter**

During a Bank Secrecy Act (BSA) examination of Joyro Investment Inc, we identified apparent weaknesses, deficiencies, or violations of the BSA or its implementing regulations.

The enclosed Form 13726, Summary of Examination Findings and Recommendations, lists the apparent violations with applicable regulations.

**What you need to do if you agree**

If you accept our findings with any accompanying recommendations and agree to implement timely corrective actions, please sign the enclosed Form 13727, Acceptance Statement. In addition, prepare a written statement of why the weaknesses, deficiencies, or violations occurred and what corrective action you will take. Include confirmation of any delinquent or amended BSA forms you filed electronically. Send these documents to the address shown above within 30 days from the date of this letter.

**What you need to do if you don't agree**

Send a written explanation, to the address above within 30 days from the date of this letter, detailing what you disagree with and why.

**What you need to know**

We are required to forward a copy of our report, including any written response you provide, to the Financial Crimes Enforcement Network (FinCEN). FinCEN will determine if penalties under the BSA are to be asserted. In addition, IRS has memorandums of understanding (MOUs) with state regulators. Therefore, we may share a copy of our report with a state regulator if required in following the agreements of each MOU.

If you have questions, you can call the contact person shown above.

Thank you for your cooperation.

Sincerely,



Digitally signed by Beth E. Stroud  
Date: 2023.03.24 16:33:39 -07'00'

Beth E Stroud, Group 1506

Bank Secrecy Act Supervisory Internal Revenue Agent

Enclosures:  
Form 13726  
Form 13727



Form **13726**  
(July 2021)

Department of the Treasury - Internal Revenue Service

**Summary of Examination Findings and Recommendations**

Business name Joyro Investment Inc		Doing business as Joyro Investment Inc	
Business address 9814 Garvey Ave. #21A&B		TIN of entity 20-0919240	Telephone number (626) 244 6259
City South El Monte		State California	ZIP code 91733
Types of financial Services Offered		If an Agent, Specify Agency (if more than two go onto next line)	
Primary Financial Service (First Line)		Agency 1	Agency 2
Check Cashier			

States where financial services offered (select all that apply)

- |   |   |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> All States and Territories | <input type="checkbox"/> All States         | <input type="checkbox"/> All Territories     |  |   |
| <input type="checkbox"/> Alabama (AL)               | <input type="checkbox"/> Idaho (ID)         | <input type="checkbox"/> Mississippi (MS)    | <input type="checkbox"/> Oklahoma (OK)       | <input type="checkbox"/> Washington (WA)        |
| <input type="checkbox"/> Alaska (AK)                | <input type="checkbox"/> Illinois (IL)      | <input type="checkbox"/> Missouri (MO)       | <input type="checkbox"/> Oregon (OR)         | <input type="checkbox"/> West Virginia (WV)     |
| <input type="checkbox"/> Arizona (AZ)               | <input type="checkbox"/> Indiana (IN)       | <input type="checkbox"/> Montana (MT)        | <input type="checkbox"/> Pennsylvania (PA)   | <input type="checkbox"/> Wisconsin (WI)         |
| <input type="checkbox"/> Arkansas (AR)              | <input type="checkbox"/> Iowa (IA)          | <input type="checkbox"/> Nebraska (NE)       | <input type="checkbox"/> Puerto Rico (PR)    | <input type="checkbox"/> Wyoming (WY)           |
| <input checked="" type="checkbox"/> California (CA) | <input type="checkbox"/> Kansas (KS)        | <input type="checkbox"/> Nevada (NV)         | <input type="checkbox"/> Rhode Island (RI)   |   |
| <input type="checkbox"/> Colorado (CO)              | <input type="checkbox"/> Kentucky (KY)      | <input type="checkbox"/> New Hampshire (NH)  | <input type="checkbox"/> South Carolina (SC) | <input type="checkbox"/> American Samoa (AS)    |
| <input type="checkbox"/> Connecticut (CT)           | <input type="checkbox"/> Louisiana (LA)     | <input type="checkbox"/> New Jersey (NJ)     | <input type="checkbox"/> South Dakota (SD)   | <input type="checkbox"/> FS of Micronesia (FM)  |
| <input type="checkbox"/> Delaware (DE)              | <input type="checkbox"/> Maine (ME)         | <input type="checkbox"/> New Mexico (NM)     | <input type="checkbox"/> Tennessee (TN)      | <input type="checkbox"/> Guam (GU)              |
| <input type="checkbox"/> District of Columbia (DC)  | <input type="checkbox"/> Maryland (MD)      | <input type="checkbox"/> New York (NY)       | <input type="checkbox"/> Texas (TX)          | <input type="checkbox"/> Marshall Islands (MH)  |
| <input type="checkbox"/> Florida (FL)               | <input type="checkbox"/> Massachusetts (MA) | <input type="checkbox"/> North Carolina (NC) | <input type="checkbox"/> Utah (UT)           | <input type="checkbox"/> N Mariana Islands (MP) |
| <input type="checkbox"/> Georgia (GA)               | <input type="checkbox"/> Michigan (MI)      | <input type="checkbox"/> North Dakota (ND)   | <input type="checkbox"/> Vermont (VT)        | <input type="checkbox"/> Palau (PW)             |
| <input type="checkbox"/> Hawaii (HI)                | <input type="checkbox"/> Minnesota (MN)     | <input type="checkbox"/> Ohio (OH)           | <input type="checkbox"/> Virginia (VA)       | <input type="checkbox"/> Virgin Islands (VI)    |

Date of initial interview 9/19/2017	Exam period start 02/01/2017	Exam period end 07/31/2017	Corrective action or response due date (30 days) 04/20/2023
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**Apparent Anti-Money Laundering Program Violations**

Date	31 C.F.R. Chapter X Violation and Description of Regulation
9/19/2017	§ 1022.210(d)(1) (formerly 103.125(d)(1)) Policies, Procedures, and Internal Controls - Money Services Business
9/19/2017	§ 1022.210(d)(2) Anti-Money Laundering Program - Designation of Compliance Officer
9/19/2017	§ 1022.210(d)(4) Anti-Money Laundering Program - Independent Review

**Apparent Reporting and Recordkeeping Violations**

Date	Amount	Person Involved	31 C.F.R. Chapter X
2/6/2017	\$12,038.40	David Nguyen	§ 1022.313
2/16/2017	\$15,699.90	David Nguyen	§ 1022.313
3/1/2017	\$12,539.34	David Nguyen	§ 1022.313
3/15/2017	\$26,573.58	David Nguyen	§ 1022.313
3/17/2017	\$18,114.60	David Nguyen	§ 1022.313
4/4/2017	\$19,259.46	David Nguyen	§ 1022.313
4/5/2017	\$18,369.00	David Nguyen	§ 1022.313
4/7/2017	\$13,652.10	David Nguyen	§ 1022.313
4/10/2017	\$24,264.90	David Nguyen	§ 1022.313
5/9/2017	\$11,800.80	David Nguyen	§ 1022.313
6/9/2017	\$12,492.81	David Nguyen	§ 1022.313
6/27/2017	\$18,238.77	David Nguyen	§ 1022.313
7/8/2017	\$10,731.60	David Nguyen	§ 1022.313
7/27/2017	\$15,679.13	David Nguyen	§ 1022.313
3/4/2017	\$10,231.29	Jennie Hua	§ 1022.313
4/4/2017	\$14,094.59	Jennie Hua	§ 1022.313
5/11/2017	\$13,158.79	Jennie Hua	§ 1022.313
2/2/2017	\$13,384.37	Lin Hua	§ 1022.313
2/10/2017	\$11,378.44	Lin Hua	§ 1022.313
2/24/2017	\$13,694.48	Lin Hua	§ 1022.313
2/27/2017	\$26,531.02	Lin Hua	§ 1022.313
4/28/2017	\$14,687.06	Lin Hua	§ 1022.313
5/3/2017	\$15,840.00	Lin Hua	§ 1022.313
5/15/2017	\$15,456.33	Lin Hua	§ 1022.313
6/3/2017	\$20,597.85	Lin Hua	§ 1022.313
6/23/2017	\$11,487.32	Lin Hua	§ 1022.313
6/30/2017	\$22,875.68	Lin Hua	§ 1022.313
7/3/2017	\$14,695.64	Lin Hua	§ 1022.313
7/12/2017	\$14,165.26	Lin Hua	§ 1022.313
7/25/2017	\$17,606.99	Lin Hua	§ 1022.313
2/6/2017	\$13,118.49	Sean Nguyen	§ 1022.313
2/15/2017	\$13,015.22	Sean Nguyen	§ 1022.313
2/22/2017	\$14,700.51	Sean Nguyen	§ 1022.313
2/24/2017	\$17,030.97	Sean Nguyen	§ 1022.313
2/28/2017	\$17,529.93	Sean Nguyen	§ 1022.313
3/6/2017	\$18,085.32	Sean Nguyen	§ 1022.313
3/10/2017	\$12,054.24	Sean Nguyen	§ 1022.313
4/21/2017	\$18,512.01	Sean Nguyen	§ 1022.313

Date	Amount	Person Involved	31 C.F.R. Chapter X
4/25/2017	\$13,393.86	Sean Nguyen	§ 1022.313
5/17/2017	\$17,318.39	Sean Nguyen	§ 1022.313
5/26/2017	\$20,116.80	Sean Nguyen	§ 1022.313
6/1/2017	\$17,212.14	Sean Nguyen	§ 1022.313
6/7/2017	\$14,030.28	Sean Nguyen	§ 1022.313
2/6/2017	\$12,038.40	David Nguyen	§ 1022.312
2/16/2017	\$15,699.90	David Nguyen	§ 1022.312
3/1/2017	\$12,539.34	David Nguyen	§ 1022.312
3/15/2017	\$26,573.58	David Nguyen	§ 1022.312
3/17/2017	\$18,114.60	David Nguyen	§ 1022.312
4/4/2017	\$19,259.46	David Nguyen	§ 1022.312
4/5/2017	\$18,369.00	David Nguyen	§ 1022.312
4/7/2017	\$13,652.10	David Nguyen	§ 1022.312
4/10/2017	\$24,264.90	David Nguyen	§ 1022.312
5/9/2017	\$11,800.80	David Nguyen	§ 1022.312
6/9/2017	\$12,492.81	David Nguyen	§ 1022.312
6/27/2017	\$18,238.77	David Nguyen	§ 1022.312
7/8/2017	\$10,731.60	David Nguyen	§ 1022.312
7/27/2017	\$15,679.13	David Nguyen	§ 1022.312
3/4/2017	\$10,231.29	Jennie Hua	§ 1022.312
4/4/2017	\$14,094.59	Jennie Hua	§ 1022.312
5/11/2017	\$13,158.79	Jennie Hua	§ 1022.312
2/2/2017	\$13,384.37	Lin Hua	§ 1022.312
2/10/2017	\$11,378.44	Lin Hua	§ 1022.312
2/24/2017	\$13,694.48	Lin Hua	§ 1022.312
2/27/2017	\$26,531.02	Lin Hua	§ 1022.312
4/28/2017	\$14,687.06	Lin Hua	§ 1022.312
5/3/2017	\$15,840.00	Lin Hua	§ 1022.312
5/15/2017	\$15,456.33	Lin Hua	§ 1022.312
6/3/2017	\$20,597.85	Lin Hua	§ 1022.312
6/23/2017	\$11,487.32	Lin Hua	§ 1022.312
6/30/2017	\$22,875.68	Lin Hua	§ 1022.312
7/3/2017	\$14,695.64	Lin Hua	§ 1022.312
7/12/2017	\$14,165.26	Lin Hua	§ 1022.312
7/25/2017	\$17,606.99	Lin Hua	§ 1022.312
2/6/2017	\$13,118.49	Sean Nguyen	§ 1022.312
2/15/2017	\$13,015.22	Sean Nguyen	§ 1022.312
2/22/2017	\$14,700.51	Sean Nguyen	§ 1022.312
2/24/2017	\$17,030.97	Sean Nguyen	§ 1022.312

[illegible]

**Explanation of Apparent Violations Regulations and Recommendations****31 C.F.R. § 1022.210(d)(1)****Anti-Money Laundering Program Requirements for Money Services Businesses – Internal Controls**

You, as a money services business, must develop, implement and maintain an effective Anti-Money Laundering program. At a minimum your program must incorporate policies, procedures, and internal controls to reasonably assure compliance with the Bank Secrecy Act. This includes, to the extent applicable to your business, requirements for verifying customer identification, filing reports, creating and retaining records, and responding to law enforcement requests. In addition, any automated data processing systems should integrate your compliance procedures with the system. The following internal control deficiencies have been identified.

You have a written anti-money laundering (AML) program. However, the AML program is not adequate. The AML program fails to:

- (1) Be risk based. The AML program has not been adjusted based on risk and a risk assessment has never been completed.
- (2) Ensure policies in place to prevent and monitor financial crimes through high risk and high volume check cashing transactions.
- (3) Provide adequate policies and procedures to identify CTR filing requirements, specifically when multiple checks are cashed.
- (4) Provide adequate policies and procedures to verify and record identification information for transactions requiring a CTR, specifically a SSN or TIN of any person or entity on whose behalf the transaction was conducted.
- (5) Provide procedures to file MSB registration.
- (6) Provide initial training.

Your failed to implement the AML program as follows:

- (1) File all required CTRs.
- (2) Not accept third party checks.
- (3) Verify the customer's identification prior to cashing a check
- (4) Keep a record/receipt of the transaction
- (5) File a CTR for multiple checks
- (6) Failure to obtain all information (SSN, occupation, etc. for CTR transactions)

**31 C.F.R. § 1022.210(d)(2)****Anti-Money Laundering Program Requirements for Money Services Business - Designation of a Compliance Officer**

You, as a money services business, are required to designate a qualified person to assure day-to-day compliance with your anti-money laundering program and the Bank Secrecy Act. The responsibilities of such person shall include assuring that: reports are properly filed and records are created and retained, the compliance program is updated as necessary to reflect current requirements of the Bank Secrecy Act, and education and/or training of appropriate personnel is provided.

Mr. Bon Kang Koo was the designated compliance officer during the examination period. Mr. Koo failed to ensure day to day compliance with the BSA. He failed to ensure the AML program was updated and implemented, failed to identify all CTR filing requirements, and failed to verify customers prior to conducting transactions. The lack of monitoring lead to systemic failure to file reports. Mr. Koo also failed to ensure independent reviews were conducted.

**31 C.F.R. § 1022.210(d)(4)****Anti-Money Laundering Program Requirements for Money Services Businesses - Independent Review**

You, as a money services business, are required to provide for an independent review to monitor and maintain an adequate program. The scope and frequency of your review should be commensurate with the risk of the financial services you provide. Such review may be conducted by an officer or employee so long as the reviewer is not the person you have designated as the compliance officer.

You failed to conduct periodic independent review. An independent review has never been conducted.

**31 C.F.R. § 1022.313****Currency Transaction Reports by Money Services Businesses - Aggregate Transactions**

You, as a money services business, are required to file a Currency Transaction Report, on multiple currency transactions, if you have knowledge that the transactions are by or on behalf of any person and result in either cash in or cash out totaling more than \$10,000 during any one business day.

You failed to file 43 CTRs for multiple checks cashed aggregating to over \$10,000 for one individual in one day during the examination period. The checks were all cashed by a third party, who cashed multiple checks on behalf of multiple payees.

**31 C.F.R. § 1022.312****Identification Required for Transactions Conducted at Money Services Businesses**

You, as a money services business, are required to verify and record the name and address of an individual conducting one or more transactions within a business day where a Currency Transaction Report would be required. You must secure the information prior to concluding the transaction. In addition, you are required to record the identity, account number, and the social security or taxpayer identification number, if any, of any person or entity on whose behalf the individual is conducting the transaction.

You conducted 43 CTR transactions and failed to verify the name and address and obtain a social security number prior to conducting the transactions.

Form <b>13727</b> (July 2007)	Department of the Treasury - Internal Revenue Service <b>Acceptance Statement</b>		
Business name Joyro Investment Inc		Employer Identification Number (EIN) 20-0919240	
Business address 9814 Garvey Ave. #21A & B		Telephone number (626) 244 6259	
City South El Monte	State California	Zip code 91733	

I, Bon Kang Koo have received and reviewed Form 13726, *Summary of Examination Findings and Recommendations*, addressing specific areas of noncompliance with the Bank Secrecy Act recordkeeping and reporting requirements, dated \_\_\_\_\_.

I agree to follow the recommendations and to correct the Anti-Money Laundering program, reporting and recordkeeping violations.

I will take the following specific corrective action(s) by \_\_\_\_\_.

Signature	Title	Date
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Catalog Number 48742Z
www.irs.gov
Form **13727** (7-2007)

# **EXHIBIT C**



**Department of the Treasury**  
**Internal Revenue Service**  
**Small Business/Self Employed Division**  
Exam Operations/Specialty Examination: BSA  
9350 Flair Drive, Mail Stop 1506  
El Monte, CA 91731

Sarang Corp  
9814 Garvey Ave. #21 A & B  
South El Monte, CA 91733  
Attn: Sun Koo, President

**Date:**  
03/24/2023  
**Person to contact:**  
Amy Kim  
**Employee ID number:**  
1352938  
**Contact telephone number:**  
(626) 927-1386  
**Case control number:**  
458235

Dear Mrs. Sun Koo:

**Why you're receiving this letter**

During a Bank Secrecy Act (BSA) examination of Sarang Corp , we identified apparent weaknesses, deficiencies, or violations of the BSA or its implementing regulations.

The enclosed Form 13726, Summary of Examination Findings and Recommendations, lists the apparent violations with applicable regulations.

**What you need to do if you agree**

If you accept our findings with any accompanying recommendations and agree to implement timely corrective actions, please sign the enclosed Form 13727, Acceptance Statement. In addition, prepare a written statement of why the weaknesses, deficiencies, or violations occurred and what corrective action you will take. Include confirmation of any delinquent or amended BSA forms you filed electronically. Send these documents to the address shown above within 30 days from the date of this letter.

**What you need to do if you don't agree**

Send a written explanation, to the address above within 30 days from the date of this letter, detailing what you disagree with and why.

**What you need to know**

We are required to forward a copy of our report, including any written response you provide, to the Financial Crimes Enforcement Network (FinCEN). FinCEN will determine if penalties under the BSA are to be asserted. In addition, IRS has memorandums of understanding (MOUs) with state regulators. Therefore, we may share a copy of our report with a state regulator if required in following the agreements of each MOU.



If you have questions, you can call the contact person shown above.

Thank you for your cooperation.

Sincerely,



Digitally signed by Beth E. Stroud  
Date: 2023.03.24 16:28:59 -07'00'

Beth E Stroud, Group 1506

Bank Secrecy Act Supervisory Internal Revenue Agent

Enclosures:

Form 13726

Form 13727

Form **13726**  
(July 2021)

Department of the Treasury - Internal Revenue Service

**Summary of Examination Findings and Recommendations**

Business name Sarang Corp		Doing business as My Darling Market	
Business address 9814 Garvey Ave. #21A&B		TIN of entity 42-1582020	Telephone number (626) 244 6259
City South El Monte		State California	ZIP code 91733
Types of financial Services Offered		If an Agent, Specify Agency (if more than two go onto next line)	
Primary Financial Service (First Line)		Agency 1	Agency 2
Check Cashier			

States where financial services offered (select all that apply)

- |   |   |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> All States and Territories | <input type="checkbox"/> All States         | <input type="checkbox"/> All Territories     |  |   |
| <input type="checkbox"/> Alabama (AL)               | <input type="checkbox"/> Idaho (ID)         | <input type="checkbox"/> Mississippi (MS)    | <input type="checkbox"/> Oklahoma (OK)       | <input type="checkbox"/> Washington (WA)        |
| <input type="checkbox"/> Alaska (AK)                | <input type="checkbox"/> Illinois (IL)      | <input type="checkbox"/> Missouri (MO)       | <input type="checkbox"/> Oregon (OR)         | <input type="checkbox"/> West Virginia (WV)     |
| <input type="checkbox"/> Arizona (AZ)               | <input type="checkbox"/> Indiana (IN)       | <input type="checkbox"/> Montana (MT)        | <input type="checkbox"/> Pennsylvania (PA)   | <input type="checkbox"/> Wisconsin (WI)         |
| <input type="checkbox"/> Arkansas (AR)              | <input type="checkbox"/> Iowa (IA)          | <input type="checkbox"/> Nebraska (NE)       | <input type="checkbox"/> Puerto Rico (PR)    | <input type="checkbox"/> Wyoming (WY)           |
| <input checked="" type="checkbox"/> California (CA) | <input type="checkbox"/> Kansas (KS)        | <input type="checkbox"/> Nevada (NV)         | <input type="checkbox"/> Rhode Island (RI)   |   |
| <input type="checkbox"/> Colorado (CO)              | <input type="checkbox"/> Kentucky (KY)      | <input type="checkbox"/> New Hampshire (NH)  | <input type="checkbox"/> South Carolina (SC) | <input type="checkbox"/> American Samoa (AS)    |
| <input type="checkbox"/> Connecticut (CT)           | <input type="checkbox"/> Louisiana (LA)     | <input type="checkbox"/> New Jersey (NJ)     | <input type="checkbox"/> South Dakota (SD)   | <input type="checkbox"/> FS of Micronesia (FM)  |
| <input type="checkbox"/> Delaware (DE)              | <input type="checkbox"/> Maine (ME)         | <input type="checkbox"/> New Mexico (NM)     | <input type="checkbox"/> Tennessee (TN)      | <input type="checkbox"/> Guam (GU)              |
| <input type="checkbox"/> District of Columbia (DC)  | <input type="checkbox"/> Maryland (MD)      | <input type="checkbox"/> New York (NY)       | <input type="checkbox"/> Texas (TX)          | <input type="checkbox"/> Marshall Islands (MH)  |
| <input type="checkbox"/> Florida (FL)               | <input type="checkbox"/> Massachusetts (MA) | <input type="checkbox"/> North Carolina (NC) | <input type="checkbox"/> Utah (UT)           | <input type="checkbox"/> N Mariana Islands (MP) |
| <input type="checkbox"/> Georgia (GA)               | <input type="checkbox"/> Michigan (MI)      | <input type="checkbox"/> North Dakota (ND)   | <input type="checkbox"/> Vermont (VT)        | <input type="checkbox"/> Palau (PW)             |
| <input type="checkbox"/> Hawaii (HI)                | <input type="checkbox"/> Minnesota (MN)     | <input type="checkbox"/> Ohio (OH)           | <input type="checkbox"/> Virginia (VA)       | <input type="checkbox"/> Virgin Islands (VI)    |

Date of initial interview 9/19/2017	Exam period start 02/01/2017	Exam period end 07/31/2017	Corrective action or response due date (30 days) 04/28/2023
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**Apparent Anti-Money Laundering Program Violations**

Date	31 C.F.R. Chapter X Violation and Description of Regulation
9/19/2017	§ 1022.210(d)(1) (formerly 103.125(d)(1)) Policies, Procedures, and Internal Controls - Money Services Business
9/19/2017	§ 1022.210(d)(2) Anti-Money Laundering Program - Designation of Compliance Officer
9/19/2017	§ 1022.210(d)(4) Anti-Money Laundering Program - Independent Review

[illegible]

**Explanation of Apparent Violations Regulations and Recommendations**

## 31 C.F.R. § 1022.210(d)(1)

## Anti-Money Laundering Program Requirements for Money Services Businesses – Internal Controls

You, as a money services business, must develop, implement and maintain an effective Anti-Money Laundering program. At a minimum your program must incorporate policies, procedures, and internal controls to reasonably assure compliance with the Bank Secrecy Act. This includes, to the extent applicable to your business, requirements for verifying customer identification, filing reports, creating and retaining records, and responding to law enforcement requests. In addition, any automated data processing systems should integrate your compliance procedures with the system. The following internal control deficiencies have been identified.

You have a written anti-money laundering (AML) program. However, the AML program is not adequate. The AML program fails to (1) be risk based. The AML program has not been adjusted based on risk and a risk assessment has never been completed. Sarang Corp (Sarang) operates closely with a related MSB, Joyro Investment Inc. (Joyro) that is located at the same location. Policies and procedures have not been adjusted to identify and prevent structuring between both corporations.

- (2) ensure policies are in place to prevent and monitor financial crimes through high risk and high volume check cashing transactions.
- (3) provide adequate policies and procedures to identify CTR filing requirements, specifically when multiple checks are cashed.
- (4) provide procedures to file MSB registration.
- (5) provide initial training.

Your failed to implement the AML program as follows:

- (1) File all required CTRs.
- (2) Not accept third party checks.
- (3) Verify the customer's identification prior to cashing a check
- (4) Keep a record/receipt of the transaction
- (5) File a CTR for multiple checks
- (6) Obtain all information (SSN, occupation, etc. for CTR transactions)

## 31 C.F.R. § 1022.210(d)(2)

## Anti-Money Laundering Program Requirements for Money Services Business - Designation of a Compliance Officer

You, as a money services business, are required to designate a qualified person to assure day-to-day compliance with your anti-money laundering program and the Bank Secrecy Act. The responsibilities of such person shall include assuring that: reports are properly filed and records are created and retained, the compliance program is updated as necessary to reflect current requirements of the Bank Secrecy Act, and education and/or training of appropriate personnel is provided.

Mr. Bon Kang Koo was the designated compliance officer during the examination period. Mr. Koo failed to ensure day to day compliance with the BSA. He failed to ensure the AML program was updated and implemented, failed to identify all CTR filing requirements, and failed to verify customers prior to conducting transactions. The lack of monitoring lead to systemic failure to file reports. Mr. Koo also failed to ensure independent reviews were conducted.

## 31 C.F.R. § 1022.210(d)(4)

## Anti-Money Laundering Program Requirements for Money Services Businesses - Independent Review

You, as a money services business, are required to provide for an independent review to monitor and maintain an adequate program. The scope and frequency of your review should be commensurate with the risk of the financial services you provide. Such review may be conducted by an officer or employee so long as the reviewer is not the person you have designated as the compliance officer.

You failed to conduct periodic independent review. An independent review has never been conducted.

## 31 C.F.R. § 1022.313

## Currency Transaction Reports by Money Services Businesses - Aggregate Transactions

You, as a money services business, are required to file a Currency Transaction Report, on multiple currency transactions, if you have knowledge that the transactions are by or on behalf of any person and result in either cash in or cash out totaling more than \$10,000 during any one business day.

You failed to identify and file 91 CTRs from Sarang for multiple checks cashed aggregating greater than \$10,000 for one individual in one day during the examination period. See attachment 1.

You also failed to identify and file 37 CTRs from the combination of Sarang and Joyro check cashing transactions aggregating greater than \$10,000 for one individual in one day during the examination period. See attachment 2.

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**Explanation of Apparent Violations Regulations and Recommendations**

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**31 C.F.R. § 1022.312****Identification Required for Transactions Conducted at Money Services Businesses**

You, as a money services business, are required to verify and record the name and address of an individual conducting one or more transactions within a business day where a Currency Transaction Report would be required. You must secure the information prior to concluding the transaction. In addition, you are required to record the identity, account number, and the social security or taxpayer identification number, if any, of any person or entity on whose behalf the individual is conducting the transaction.

You conducted 128 CTR transactions and failed to verify the name and address and obtain a social security number prior to conducting the transactions. See attachment 3.

**31 C.F.R. § 1022.314****Structured Transactions - Money Services Businesses**

No person shall, for the purpose of evading the reporting requirements of the Bank Secrecy Act, cause or attempt to cause a financial institution to fail to file a Currency Transaction Report, to file a Currency Transaction Report with a material omission or misstatement of fact, or to structure or assist in structuring, or attempt to structure, any transactions with one or more financial institution.

A person structures a transaction if the person, acting alone, or in conjunction with, or on behalf of, other persons, conducts or attempts to conduct one or more transactions in currency, in any amount, at one or more financial institutions, on one or more days, in any manner, for the purpose of evading the currency transaction reporting requirements.

131 structuring transactions were identified for the examination period from 2/1/2017 to 7/31/2017. The structured transactions included cashing multiple checks for the same customer within 10 days period to avoid CTR filing. See Attachment 4.

Form <b>13727</b> (July 2007)	Department of the Treasury - Internal Revenue Service <b>Acceptance Statement</b>		
Business name Sarang Corp		Employer Identification Number (EIN) 42-1582020	
Business address 9814 Garvey Ave. #21A & B		Telephone number (626) 244 6259	
City South El Monte	State California	Zip code 91733	

I, \_\_\_\_\_ have received and reviewed Form 13726, *Summary of Examination Findings and Recommendations*, addressing specific areas of noncompliance with the Bank Secrecy Act recordkeeping and reporting requirements, dated \_\_\_\_\_.

I agree to follow the recommendations and to correct the Anti-Money Laundering program, reporting and recordkeeping violations.

I will take the following specific corrective action(s) by \_\_\_\_\_.

Signature	Title	Date
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Catalog Number 48742Z
www.irs.gov
Form **13727** (7-2007)

Date	Amount	Person Involved	31 C.F.R. Chapter X
5/1/2017	\$ 18,323.17	A&E Design Inc	§ 1022.313
5/30/2017	\$ 13,982.81	A&E Design Inc	§ 1022.313
4/3/2017	\$ 18,333.56	All Time Fashion Inc	§ 1022.313
4/14/2017	\$ 14,188.88	All Time Fashion Inc	§ 1022.313
7/31/2017	\$ 18,799.11	All Time Fashion Inc	§ 1022.313
5/8/2017	\$ 13,123.14	Bright Collar Apparel Inc	§ 1022.313
4/24/2017	\$ 17,147.30	CTL Industry Corp	§ 1022.313
2/10/2017	\$ 10,218.04	HD Creation Trading	§ 1022.313
3/9/2017	\$ 17,406.92	HD Creation Trading	§ 1022.313
3/13/2017	\$ 15,441.53	HD Creation Trading	§ 1022.313
4/22/2017	\$ 18,448.55	HD Creation Trading	§ 1022.313
4/24/2017	\$ 19,207.19	HD Creations Trading Inc	§ 1022.313
5/30/2017	\$ 14,633.88	HD Creations Trading Inc	§ 1022.313
6/2/2017	\$ 15,019.40	HD Creations Trading Inc	§ 1022.313
6/12/2017	\$ 10,692.99	HD Creations Trading Inc	§ 1022.313
6/22/2017	\$ 19,043.44	HD Creations Trading Inc	§ 1022.313
6/27/2017	\$ 16,092.45	HD Creations Trading Inc	§ 1022.313
7/10/2017	\$ 14,077.34	HD Creations Trading Inc	§ 1022.313
7/31/2017	\$ 22,494.78	HD Creations Trading Inc	§ 1022.313
4/19/2017	\$ 18,668.03	Ifashion S DE R.L. DE C.V.	§ 1022.313
6/2/2017	\$ 13,012.56	Ifashion S DE R.L. DE C.V.	§ 1022.313
6/7/2017	\$ 15,676.70	Ifashion S DE R.L. DE C.V.	§ 1022.313
6/12/2017	\$ 17,818.52	Ifashion S DE R.L. DE C.V.	§ 1022.313
6/19/2017	\$ 16,991.37	Ifashion S DE R.L. DE C.V.	§ 1022.313
7/13/2017	\$ 12,608.34	Ifashion S DE R.L. DE C.V.	§ 1022.313
2/8/2017	\$ 16,617.25	KSL Industry Corp	§ 1022.313
2/17/2017	\$ 11,376.54	KSL Industry Corp	§ 1022.313
2/18/2017	\$ 14,042.11	KSL Industry Corp	§ 1022.313
2/13/2017	\$ 10,020.88	Legacy Apparel Inc	§ 1022.313
2/25/2017	\$ 10,672.60	Legacy Apparel Inc	§ 1022.313
3/6/2017	\$ 19,760.40	Legacy Apparel Inc	§ 1022.313
7/6/2017	\$ 13,292.68	Legacy Apparel Inc	§ 1022.313
7/31/2017	\$ 18,712.93	Legacy Apparel Inc	§ 1022.313
3/27/2017	\$ 12,088.59	MLE Trading Inc	§ 1022.313
3/7/2017	\$ 17,899.10	NKQ Production	§ 1022.313
4/3/2017	\$ 13,341.49	NKQ Production	§ 1022.313
4/13/2017	\$ 16,290.45	NKQ Production	§ 1022.313
4/14/2017	\$ 12,375.50	NKQ Production	§ 1022.313
4/15/2017	\$ 15,427.62	NKQ Production	§ 1022.313
4/22/2017	\$ 14,256.48	NKQ Production	§ 1022.313
5/1/2017	\$ 25,825.01	NKQ Production	§ 1022.313
5/22/2017	\$ 17,057.21	NKQ Production	§ 1022.313
5/23/2017	\$ 17,323.42	NKQ Production	§ 1022.313
5/24/2017	\$ 16,027.11	NKQ Production	§ 1022.313

Date	Amount	Person Involved	31 C.F.R. Chapter X
7/5/2017	\$ 18,030.38	NKQ Production	§ 1022.313
7/12/2017	\$ 10,573.23	NKQ Production	§ 1022.313
7/14/2017	\$ 17,921.97	NKQ Production	§ 1022.313
7/18/2017	\$ 14,960.19	NKQ Production	§ 1022.313
7/28/2017	\$ 11,799.16	NKQ Production	§ 1022.313
4/3/2017	\$ 11,440.02	PYL Production Inc	§ 1022.313
4/21/2017	\$ 12,765.06	PYL Production Inc	§ 1022.313
5/1/2017	\$ 14,900.49	PYL Production Inc	§ 1022.313
7/12/2017	\$ 13,596.66	PYL Production Inc	§ 1022.313
7/20/2017	\$ 19,758.46	PYL Production Inc	§ 1022.313
5/18/2017	\$ 12,545.68	S&B Fashion Inc	§ 1022.313
6/9/2017	\$ 15,840.00	Sunshine Roofing Inc	§ 1022.313
3/20/2017	\$ 16,698.83	T&A Production Inc	§ 1022.313
3/31/2017	\$ 15,054.69	T&A Production Inc	§ 1022.313
4/3/2017	\$ 22,003.53	T&A Production Inc	§ 1022.313
4/4/2017	\$ 12,870.00	T&A Production Inc	§ 1022.313
4/10/2017	\$ 19,172.24	T&A Production Inc	§ 1022.313
4/11/2017	\$ 18,047.21	T&A Production Inc	§ 1022.313
4/22/2017	\$ 12,606.66	T&A Production Inc	§ 1022.313
4/28/2017	\$ 17,820.00	T&A Production Inc	§ 1022.313
5/1/2017	\$ 13,648.22	T&A Production Inc	§ 1022.313
5/2/2017	\$ 16,344.90	T&A Production Inc	§ 1022.313
5/12/2017	\$ 15,221.25	T&A Production Inc	§ 1022.313
5/13/2017	\$ 15,651.80	T&A Production Inc	§ 1022.313
5/16/2017	\$ 13,028.90	T&A Production Inc	§ 1022.313
5/22/2017	\$ 16,859.40	T&A Production Inc	§ 1022.313
5/23/2017	\$ 14,877.23	T&A Production Inc	§ 1022.313
6/1/2017	\$ 14,091.46	T&A Production Inc	§ 1022.313
6/2/2017	\$ 18,013.47	T&A Production Inc	§ 1022.313
7/7/2017	\$ 16,457.74	T&A Production Inc	§ 1022.313
7/12/2017	\$ 12,399.45	T&A Production Inc	§ 1022.313
7/14/2017	\$ 13,529.08	T&A Production Inc	§ 1022.313
7/20/2017	\$ 17,166.70	T&A Production Inc	§ 1022.313
5/1/2017	\$ 15,414.48	Tammy Place	§ 1022.313
3/13/2017	\$ 19,485.50	Zen Creation Industry Corp	§ 1022.313
7/31/2017	\$ 14,509.49	Zenzen Production Inc	§ 1022.313
2/21/2017	\$ 13,340.26	NKQ Production/ Khai Supplies Inc	§ 1022.313
3/8/2017	\$ 11,791.26	NKQ Production/ Khai Supplies Inc	§ 1022.313
3/9/2017	\$ 10,880.80	NKQ Production/ Khai Supplies Inc	§ 1022.313
3/13/2017	\$ 19,199.31	NKQ Production/ Khai Supplies Inc	§ 1022.313
4/10/2017	\$ 43,867.11	NKQ Production/ Khai Supplies Inc	§ 1022.313
4/11/2017	\$ 12,599.03	NKQ Production/ Khai Supplies Inc	§ 1022.313
5/11/2017	\$ 13,380.62	NKQ Production/ Khai Supplies Inc	§ 1022.313
6/1/2017	\$ 19,627.25	NKQ Production/ Khai Supplies Inc	§ 1022.313



Date	Amount	Person Involved	31 C.F.R. Chapter X
6/6/2017	\$ 19,573.74	NKQ Production/ Khai Supplies Inc	§ 1022.313
7/7/2017	\$ 19,356.78	NKQ Production/ Khai Supplies Inc	§ 1022.313
7/21/2017	\$ 17,140.37	NKQ Production/ Khai Supplies Inc	§ 1022.313
	<b>\$ 1,449,717.43</b>		

Date	Amount	Person Involved	31 C.F.R. Chapter X
3/3/2017	\$ 19,429.49	Kassandra Fashion	§ 1022.313
3/10/2017	\$ 10,940.77	CTL Industry Corp	§ 1022.313
3/16/2017	\$ 10,311.84	CTL Industry Corp	§ 1022.313
3/20/2017	\$ 15,044.04	CTL Industry Corp	§ 1022.313
3/28/2017	\$ 20,620.71	CTL Industry Corp	§ 1022.313
3/28/2017	\$ 18,800.60	KSL Industry Corp	§ 1022.313
4/3/2017	\$ 15,769.22	CTL Industry Corp	§ 1022.313
4/10/2017	\$ 19,627.00	KSL Industry Corp	§ 1022.313
4/11/2017	\$ 14,460.71	CTL Industry Corp	§ 1022.313
4/17/2017	\$ 15,618.24	CTL Industry Corp	§ 1022.313
4/19/2017	\$ 20,090.66	CTL Industry Corp	§ 1022.313
4/25/2017	\$ 13,185.10	CTL Industry Corp	§ 1022.313
4/28/2017	\$ 27,208.08	CTL Industry Corp	§ 1022.313
4/28/2017	\$ 19,252.53	Kassandra Fashion	§ 1022.313
5/1/2017	\$ 15,810.20	CTL Industry Corp	§ 1022.313
5/1/2017	\$ 25,159.37	KSL Industry Corp	§ 1022.313
5/3/2017	\$ 12,087.90	CTL Industry Corp	§ 1022.313
5/5/2017	\$ 17,399.25	CTL Industry Corp	§ 1022.313
5/5/2017	\$ 10,311.84	KSL Industry Corp	§ 1022.313
5/8/2017	\$ 13,890.69	CTL Industry Corp	§ 1022.313
5/10/2017	\$ 19,015.67	Kassandra Fashion	§ 1022.313
5/17/2017	\$ 11,067.27	CTL Industry Corp	§ 1022.313
5/19/2017	\$ 14,524.59	CTL Industry Corp	§ 1022.313
5/22/2017	\$ 14,217.55	CTL Industry Corp	§ 1022.313
5/26/2017	\$ 12,733.63	CTL Industry Corp	§ 1022.313
6/5/2017	\$ 15,468.75	CTL Industry Corp	§ 1022.313
6/6/2017	\$ 19,579.97	KSL Industry Corp	§ 1022.313
6/9/2017	\$ 18,303.93	CTL Industry Corp	§ 1022.313
6/22/2017	\$ 13,157.10	CTL Industry Corp	§ 1022.313
6/27/2017	\$ 11,305.80	CTL Industry Corp	§ 1022.313
7/5/2017	\$ 13,191.75	CTL Industry Corp	§ 1022.313
7/5/2017	\$ 12,539.52	KSL Industry Corp	§ 1022.313
7/20/2017	\$ 16,424.10	CTL Industry Corp	§ 1022.313
7/21/2017	\$ 20,047.25	CTL Industry Corp	§ 1022.313
7/21/2017	\$ 15,082.40	KSL Industry Corp	§ 1022.313
7/31/2017	\$ 14,568.10	CTL Industry Corp	§ 1022.313
7/31/2017	\$ 11,479.63	KSL Industry Corp	§ 1022.313
	<b>\$ 587,725.25</b>		

Date	Amount	Person Involved	31 C.F.R. Chapter X
5/1/2017	\$ 18,323.17	A&E Design Inc	§ 1022.312
5/30/2017	\$ 13,982.81	A&E Design Inc	§ 1022.312
4/3/2017	\$ 18,333.56	All Time Fashion Inc	§ 1022.312
4/14/2017	\$ 14,188.88	All Time Fashion Inc	§ 1022.312
7/31/2017	\$ 18,799.11	All Time Fashion Inc	§ 1022.312
5/8/2017	\$ 13,123.14	Bright Collar Apparel Inc	§ 1022.312
4/24/2017	\$ 17,147.30	CTL Industry Corp	§ 1022.312
2/10/2017	\$ 10,218.04	HD Creation Trading	§ 1022.312
3/9/2017	\$ 17,406.92	HD Creation Trading	§ 1022.312
3/13/2017	\$ 15,441.53	HD Creation Trading	§ 1022.312
4/22/2017	\$ 18,448.55	HD Creation Trading	§ 1022.312
4/24/2017	\$ 19,207.19	HD Creations Trading Inc	§ 1022.312
5/30/2017	\$ 14,633.88	HD Creations Trading Inc	§ 1022.312
6/2/2017	\$ 15,019.40	HD Creations Trading Inc	§ 1022.312
6/12/2017	\$ 10,692.99	HD Creations Trading Inc	§ 1022.312
6/22/2017	\$ 19,043.44	HD Creations Trading Inc	§ 1022.312
6/27/2017	\$ 16,092.45	HD Creations Trading Inc	§ 1022.312
7/10/2017	\$ 14,077.34	HD Creations Trading Inc	§ 1022.312
7/31/2017	\$ 22,494.78	HD Creations Trading Inc	§ 1022.312
4/19/2017	\$ 18,668.03	Ifashion S DE R.L. DE C.V.	§ 1022.312
6/2/2017	\$ 13,012.56	Ifashion S DE R.L. DE C.V.	§ 1022.312
6/7/2017	\$ 15,676.70	Ifashion S DE R.L. DE C.V.	§ 1022.312
6/12/2017	\$ 17,818.52	Ifashion S DE R.L. DE C.V.	§ 1022.312
6/19/2017	\$ 16,991.37	Ifashion S DE R.L. DE C.V.	§ 1022.312
7/13/2017	\$ 12,608.34	Ifashion S DE R.L. DE C.V.	§ 1022.312
2/8/2017	\$ 16,617.25	KSL Industry Corp	§ 1022.312
2/17/2017	\$ 11,376.54	KSL Industry Corp	§ 1022.312
2/18/2017	\$ 14,042.11	KSL Industry Corp	§ 1022.312
2/13/2017	\$ 10,020.88	Legacy Apparel Inc	§ 1022.312
2/25/2017	\$ 10,672.60	Legacy Apparel Inc	§ 1022.312
3/6/2017	\$ 19,760.40	Legacy Apparel Inc	§ 1022.312
7/6/2017	\$ 13,292.68	Legacy Apparel Inc	§ 1022.312
7/31/2017	\$ 18,712.93	Legacy Apparel Inc	§ 1022.312
3/27/2017	\$ 12,088.59	MLE Trading Inc	§ 1022.312
3/7/2017	\$ 17,899.10	NKQ Production	§ 1022.312
4/3/2017	\$ 13,341.49	NKQ Production	§ 1022.312
4/13/2017	\$ 16,290.45	NKQ Production	§ 1022.312
4/14/2017	\$ 12,375.50	NKQ Production	§ 1022.312
4/15/2017	\$ 15,427.62	NKQ Production	§ 1022.312
4/22/2017	\$ 14,256.48	NKQ Production	§ 1022.312
5/1/2017	\$ 25,825.01	NKQ Production	§ 1022.312
5/22/2017	\$ 17,057.21	NKQ Production	§ 1022.312
5/23/2017	\$ 17,323.42	NKQ Production	§ 1022.312
5/24/2017	\$ 16,027.11	NKQ Production	§ 1022.312

Date	Amount	Person Involved	31 C.F.R. Chapter X
7/5/2017	\$ 18,030.38	NKQ Production	§ 1022.312
7/12/2017	\$ 10,573.23	NKQ Production	§ 1022.312
7/14/2017	\$ 17,921.97	NKQ Production	§ 1022.312
7/18/2017	\$ 14,960.19	NKQ Production	§ 1022.312
7/28/2017	\$ 11,799.16	NKQ Production	§ 1022.312
4/3/2017	\$ 11,440.02	PYL Production Inc	§ 1022.312
4/21/2017	\$ 12,765.06	PYL Production Inc	§ 1022.312
5/1/2017	\$ 14,900.49	PYL Production Inc	§ 1022.312
7/12/2017	\$ 13,596.66	PYL Production Inc	§ 1022.312
7/20/2017	\$ 19,758.46	PYL Production Inc	§ 1022.312
5/18/2017	\$ 12,545.68	S&B Fashion Inc	§ 1022.312
6/9/2017	\$ 15,840.00	Sunshine Roofing Inc	§ 1022.312
3/20/2017	\$ 16,698.83	T&A Production Inc	§ 1022.312
3/31/2017	\$ 15,054.69	T&A Production Inc	§ 1022.312
4/3/2017	\$ 22,003.53	T&A Production Inc	§ 1022.312
4/4/2017	\$ 12,870.00	T&A Production Inc	§ 1022.312
4/10/2017	\$ 19,172.24	T&A Production Inc	§ 1022.312
4/11/2017	\$ 18,047.21	T&A Production Inc	§ 1022.312
4/22/2017	\$ 12,606.66	T&A Production Inc	§ 1022.312
4/28/2017	\$ 17,820.00	T&A Production Inc	§ 1022.312
5/1/2017	\$ 13,648.22	T&A Production Inc	§ 1022.312
5/2/2017	\$ 16,344.90	T&A Production Inc	§ 1022.312
5/12/2017	\$ 15,221.25	T&A Production Inc	§ 1022.312
5/13/2017	\$ 15,651.80	T&A Production Inc	§ 1022.312
5/16/2017	\$ 13,028.90	T&A Production Inc	§ 1022.312
5/22/2017	\$ 16,859.40	T&A Production Inc	§ 1022.312
5/23/2017	\$ 14,877.23	T&A Production Inc	§ 1022.312
6/1/2017	\$ 14,091.46	T&A Production Inc	§ 1022.312
6/2/2017	\$ 18,013.47	T&A Production Inc	§ 1022.312
7/7/2017	\$ 16,457.74	T&A Production Inc	§ 1022.312
7/12/2017	\$ 12,399.45	T&A Production Inc	§ 1022.312
7/14/2017	\$ 13,529.08	T&A Production Inc	§ 1022.312
7/20/2017	\$ 17,166.70	T&A Production Inc	§ 1022.312
5/1/2017	\$ 15,414.48	Tammy Place	§ 1022.312
3/13/2017	\$ 19,485.50	Zen Creation Industry Corp	§ 1022.312
7/31/2017	\$ 14,509.49	Zenzen Production Inc	§ 1022.312
2/21/2017	\$ 13,340.26	NKQ Production/ Khai Supplies Inc	§ 1022.312
3/8/2017	\$ 11,791.26	NKQ Production/ Khai Supplies Inc	§ 1022.312
3/9/2017	\$ 10,880.80	NKQ Production/ Khai Supplies Inc	§ 1022.312
3/13/2017	\$ 19,199.31	NKQ Production/ Khai Supplies Inc	§ 1022.312
4/10/2017	\$ 43,867.11	NKQ Production/ Khai Supplies Inc	§ 1022.312
4/11/2017	\$ 12,599.03	NKQ Production/ Khai Supplies Inc	§ 1022.312
5/11/2017	\$ 13,380.62	NKQ Production/ Khai Supplies Inc	§ 1022.312
6/1/2017	\$ 19,627.25	NKQ Production/ Khai Supplies Inc	§ 1022.312

Date	Amount	Person Involved	31 C.F.R. Chapter X
6/6/2017	\$ 19,573.74	NKQ Production/ Khai Supplies Inc	§ 1022.312
7/7/2017	\$ 19,356.78	NKQ Production/ Khai Supplies Inc	§ 1022.312
7/21/2017	\$ 17,140.37	NKQ Production/ Khai Supplies Inc	§ 1022.312
3/3/2017	\$ 19,429.49	Kassandra Fashion	§ 1022.312
3/10/2017	\$ 10,940.77	CTL Industry Corp	§ 1022.312
3/16/2017	\$ 10,311.84	CTL Industry Corp	§ 1022.312
3/20/2017	\$ 15,044.04	CTL Industry Corp	§ 1022.312
3/28/2017	\$ 20,620.71	CTL Industry Corp	§ 1022.312
3/28/2017	\$ 18,800.60	KSL Industry Corp	§ 1022.312
4/3/2017	\$ 15,769.22	CTL Industry Corp	§ 1022.312
4/10/2017	\$ 19,627.00	KSL Industry Corp	§ 1022.312
4/11/2017	\$ 14,460.71	CTL Industry Corp	§ 1022.312
4/17/2017	\$ 15,618.24	CTL Industry Corp	§ 1022.312
4/19/2017	\$ 20,090.66	CTL Industry Corp	§ 1022.312
4/25/2017	\$ 13,185.10	CTL Industry Corp	§ 1022.312
4/28/2017	\$ 27,208.08	CTL Industry Corp	§ 1022.312
4/28/2017	\$ 19,252.53	Kassandra Fashion	§ 1022.312
5/1/2017	\$ 15,810.20	CTL Industry Corp	§ 1022.312
5/1/2017	\$ 25,159.37	KSL Industry Corp	§ 1022.312
5/3/2017	\$ 12,087.90	CTL Industry Corp	§ 1022.312
5/5/2017	\$ 17,399.25	CTL Industry Corp	§ 1022.312
5/5/2017	\$ 10,311.84	KSL Industry Corp	§ 1022.312
5/8/2017	\$ 13,890.69	CTL Industry Corp	§ 1022.312
5/10/2017	\$ 19,015.67	Kassandra Fashion	§ 1022.312
5/17/2017	\$ 11,067.27	CTL Industry Corp	§ 1022.312
5/19/2017	\$ 14,524.59	CTL Industry Corp	§ 1022.312
5/22/2017	\$ 14,217.55	CTL Industry Corp	§ 1022.312
5/26/2017	\$ 12,733.63	CTL Industry Corp	§ 1022.312
6/5/2017	\$ 15,468.75	CTL Industry Corp	§ 1022.312
6/6/2017	\$ 19,579.97	KSL Industry Corp	§ 1022.312
6/9/2017	\$ 18,303.93	CTL Industry Corp	§ 1022.312
6/22/2017	\$ 13,157.10	CTL Industry Corp	§ 1022.312
6/27/2017	\$ 11,305.80	CTL Industry Corp	§ 1022.312
7/5/2017	\$ 13,191.75	CTL Industry Corp	§ 1022.312
7/5/2017	\$ 12,539.52	KSL Industry Corp	§ 1022.312
7/20/2017	\$ 16,424.10	CTL Industry Corp	§ 1022.312
7/21/2017	\$ 20,047.25	CTL Industry Corp	§ 1022.312
7/21/2017	\$ 15,082.40	KSL Industry Corp	§ 1022.312
7/31/2017	\$ 14,568.10	CTL Industry Corp	§ 1022.312
7/31/2017	\$ 11,479.63	KSL Industry Corp	§ 1022.312
	<b>\$ 2,037,442.68</b>		

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3/10/2017-3/13/2017	\$ 19,709.53	A&E Design Inc	§ 1022.314
3/31/2017-4/10/2017	\$ 37,211.20	A&E Design Inc	§ 1022.314
4/14/2017-4/24/2017	\$ 35,362.85	A&E Design Inc	§ 1022.314
5/13/2017-5/15/2017	\$ 17,808.00	A&E Design Inc	§ 1022.314
5/27/2017-6/1/2017	\$ 25,287.40	A&E Design Inc	§ 1022.314
2/11/2017-2/13/2017	\$ 17,563.50	All Time Fashion Inc	§ 1022.314
2/18/2017-2/21/2017	\$ 10,174.00	All Time Fashion Inc	§ 1022.314
3/3/2017-3/6/2017	\$ 18,858.70	All Time Fashion Inc	§ 1022.314
5/2/2017-5/3/2017	\$ 19,394.50	All Time Fashion Inc	§ 1022.314
5/19/2017-5/22/2017	\$ 15,152.90	All Time Fashion Inc	§ 1022.314
5/27/2017-5/30/2017	\$ 17,533.75	All Time Fashion Inc	§ 1022.314
6/21/2017-6/22/2017	\$ 19,477.75	All Time Fashion Inc	§ 1022.314
6/29/2017-6/30/2017	\$ 14,904.00	All Time Fashion Inc	§ 1022.314
7/7/2017-7/10/2017	\$ 19,442.50	All Time Fashion Inc	§ 1022.314
5/26/2017-5/30/2017	\$ 14,655.00	Blu Diamond Apparel Inc	§ 1022.314
7/27/2017-7/28/2017	\$ 12,751.60	Blu Diamond Apparel Inc	§ 1022.314
4/10/2017-4/11/2017	\$ 10,697.85	Bright Collar Apparel Inc	§ 1022.314
4/23/2017-4/24/2017	\$ 15,006.80	Bright Collar Apparel Inc	§ 1022.314
5/22/2017-5/30/2017	\$ 26,422.15	Bright Collar Apparel Inc	§ 1022.314
6/3/2017-6/5/2017	\$ 13,543.95	Bright Collar Apparel Inc	§ 1022.314
6/17/2017-6/19/2017	\$ 15,491.93	Bright Collar Apparel Inc	§ 1022.314
6/26/2017-6/28/2017	\$ 12,501.40	Bright Collar Apparel Inc	§ 1022.314
7/15/2017-7/17/2017	\$ 10,870.37	Bright Collar Apparel Inc	§ 1022.314
7/24/2017-7/25/2017	\$ 11,010.50	Bright Collar Apparel Inc	§ 1022.314
4/19/2017-4/24/2017	\$ 12,179.41	Chiang Wang D.C.	§ 1022.314
6/22/2017-6/26/2017	\$ 22,237.75	Crystal Textile Inc	§ 1022.314
3/10/2017-3/13/2017	\$ 12,901.28	CTL Industry Corp	§ 1022.314
4/3/2017-4/7/2017	\$ 31,634.78	CTL Industry Corp	§ 1022.314
4/10/2017-4/14/2017	\$ 36,822.75	CTL Industry Corp	§ 1022.314
5/2/2017-5/8/2017	\$ 32,552.00	CTL Industry Corp	§ 1022.314
5/13/2017-5/22/2017	\$ 27,526.56	CTL Industry Corp	§ 1022.314
6/10/2017-6/12/2017	\$ 14,606.75	CTL Industry Corp	§ 1022.314
7/1/2017-7/3/2017	\$ 17,293.15	CTL Industry Corp	§ 1022.314
7/8/2017-7/10/2017	\$ 10,911.45	CTL Industry Corp	§ 1022.314
7/1/2017-7/3/2017	\$ 13,871.75	Eden Finishing Inc	§ 1022.314
2/22/2017-2/23/2017	\$ 10,206.31	Dial Transportation Inc	§ 1022.314
3/6/2017-3/7/2017	\$ 17,589.77	Dial Transportation Inc	§ 1022.314
4/4/2017-4/5/2017	\$ 14,086.11	Dial Transport, Inc	§ 1022.314
3/2/2017-3/6/2017	\$ 25,552.50	HD Creation Trading	§ 1022.314
3/14/2017-3/16/2017	\$ 12,014.65	HD Creation Trading	§ 1022.314
3/21/2017-3/22/2017	\$ 16,934.00	HD Creation Trading	§ 1022.314
3/31/2017-4/4/2017	\$ 21,787.60	HD Creation Trading	§ 1022.314
4/11/2017-4/17/2017	\$ 29,867.86	HD Creation Trading	§ 1022.314
5/1/2017-5/5/2017	\$ 15,728.70	HD Creation Trading	§ 1022.314
5/27/2017-6/1/2017	\$ 21,794.45	HD Creations Trading Inc	§ 1022.314
6/5/2017-6/10/2017	\$ 26,343.20	HD Creations Trading Inc	§ 1022.314



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6/19/2017-6/20/2017	\$ 14,092.15	HD Creations Trading Inc	\$ 1022.314
7/27/2017-7/28/2017	\$ 17,421.20	HD Creations Trading Inc	\$ 1022.314
2/1/2017-2/2/2017	\$ 11,325.45	Ifashion S DE R.L. DE C.V.	\$ 1022.314
2/8/2017-2/16/2017	\$ 41,840.05	Ifashion S DE R.L. DE C.V.	\$ 1022.314
2/22/2017-2/24/2017	\$ 22,980.70	Ifashion S DE R.L. DE C.V.	\$ 1022.314
3/11/2017-3/18/2017	\$ 37,352.75	Ifashion S DE R.L. DE C.V.	\$ 1022.314
3/20/2017-3/27/2017	\$ 54,830.40	Ifashion S DE R.L. DE C.V.	\$ 1022.314
3/28/2017-3/31/2017	\$ 22,793.10	Ifashion S DE R.L. DE C.V.	\$ 1022.314
4/3/2017-4/10/2017	\$ 47,560.09	Ifashion S DE R.L. DE C.V.	\$ 1022.314
4/11/2017-4/17/2017	\$ 52,541.35	Ifashion S DE R.L. DE C.V.	\$ 1022.314
4/21/2017-4/26/2017	\$ 26,857.10	Ifashion S DE R.L. DE C.V.	\$ 1022.314
5/27/2017-5/30/2017	\$ 14,962.30	Ifashion S DE R.L. DE C.V.	\$ 1022.314
6/3/2017-6/5/2017	\$ 18,399.80	Ifashion S DE R.L. DE C.V.	\$ 1022.314
6/8/2017-6/17/2017	\$ 54,921.70	Ifashion S DE R.L. DE C.V.	\$ 1022.314
7/5/2017-7/12/2017	\$ 34,921.15	Ifashion S DE R.L. DE C.V.	\$ 1022.314
4/27/2017-4/28/2017	\$ 19,747.00	Kassandra Fashion	\$ 1022.314
5/8/2017-5/10/2017	\$ 15,459.25	Kassandra Fashion	\$ 1022.314
6/20/2017-6/21/2017	\$ 15,599.25	Kassandra Fashion	\$ 1022.314
2/15/2017-2/21/2017	\$ 16,481.00	KSL Industry Corp	\$ 1022.314
5/15/2017-5/16/2017	\$ 11,832.21	KSL Industry Corp	\$ 1022.314
5/19/2017-5/22/2017	\$ 12,553.60	KSL Industry Corp	\$ 1022.314
5/27/2017-6/1/2017	\$ 33,851.74	KSL Industry Corp	\$ 1022.314
6/5/2017-6/6/2017	\$ 14,566.75	KSL Industry Corp	\$ 1022.314
6/8/2017-6/9/2017	\$ 19,620.50	KSL Industry Corp	\$ 1022.314
6/19/2017-6/20/2017	\$ 11,267.75	KSL Industry Corp	\$ 1022.314
2/3/2017-2/6/2017	\$ 19,965.30	Legacy Apparel Inc	\$ 1022.314
2/11/2017-2/17/2017	\$ 21,078.40	Legacy Apparel Inc	\$ 1022.314
2/18/2017-2/27/2017	\$ 17,430.25	Legacy Apparel Inc	\$ 1022.314
3/15/2017-3/22/2017	\$ 39,688.05	Legacy Apparel Inc	\$ 1022.314
4/10/2017-4/11/2017	\$ 17,571.00	Legacy Apparel Inc	\$ 1022.314
4/21/2017-4/24/2017	\$ 15,348.00	Legacy Apparel Inc	\$ 1022.314
6/7/2017-6/8/2017	\$ 11,063.70	Legacy Apparel Inc	\$ 1022.314
6/21/2017-6/22/2017	\$ 13,270.00	Legacy Apparel Inc	\$ 1022.314
6/28/2017-6/29/2017	\$ 17,017.55	Legacy Apparel Inc	\$ 1022.314
7/13/2017-7/14/2017	\$ 12,667.70	Legacy Apparel Inc	\$ 1022.314
7/20/2017-7/28/2017	\$ 29,042.85	Legacy Apparel Inc	\$ 1022.314
2/10/2017-2/17/2017	\$ 30,915.65	NKQ Production	\$ 1022.314
3/4/2017-3/14/2017	\$ 22,150.30	NKQ Production	\$ 1022.314
3/20/2017-3/21/2017	\$ 17,975.18	NKQ Production	\$ 1022.314
3/25/2017-3/27/2017	\$ 10,092.68	NKQ Production	\$ 1022.314
5/6/2017-5/8/2017	\$ 13,187.50	NKQ Production	\$ 1022.314
5/30/2017-6/5/2017	\$ 24,668.50	NKQ Production	\$ 1022.314
6/14/2017-6/19/2017	\$ 19,637.00	NKQ Production	\$ 1022.314
7/1/2017-7/3/2017	\$ 16,151.00	NKQ Production	\$ 1022.314
7/6/2017-7/11/2017	\$ 14,916.00	NKQ Production	\$ 1022.314
7/19/2017-7/20/2017	\$ 12,913.80	NKQ Production	\$ 1022.314

Date	Amount	Person Involved	31 C.F.R. Chapter X
7/25/2017-7/27/2017	\$ 26,067.25	NKQ Production	§ 1022.314
2/18/2017-2/21/2017	\$ 12,870.00	PYL Production Inc	§ 1022.314
3/29/2017-3/31/2017	\$ 23,953.00	PYL Production Inc	§ 1022.314
4/22/2017-4/24/2017	\$ 12,862.15	PYL Production Inc	§ 1022.314
5/6/2017-5/8/2017	\$ 18,162.00	PYL Production Inc	§ 1022.314
5/19/2017-5/22/2017	\$ 14,170.00	PYL Production Inc	§ 1022.314
5/31/2017-6/1/2017	\$ 17,020.00	PYL Production Inc	§ 1022.314
6/2/2017-6/7/2017	\$ 34,486.40	PYL Production Inc	§ 1022.314
6/9/2017-6/12/2017	\$ 10,418.00	PYL Production Inc	§ 1022.314
6/20/2017-6/21/2017	\$ 15,865.00	PYL Production Inc	§ 1022.314
7/3/2017-7/10/2017	\$ 43,334.60	PYL Production Inc	§ 1022.314
2/2/2017-2/3/2017	\$ 16,905.70	Sing Kung Corp	§ 1022.314
3/6/2017-3/9/2017	\$ 19,695.25	Star Creative Corp	§ 1022.314
3/16/2017-3/20/2017	\$ 17,000.00	Sunshine Roofing Co	§ 1022.314
7/3/2017-7/5/2017	\$ 16,600.00	Sunshine Roofing Inc	§ 1022.314
7/13/2017-7/17/2017	\$ 12,701.20	Sunshine Roofing Inc	§ 1022.314
7/28/2017-7/31/2017	\$ 14,400.00	Sunshine Roofing Inc	§ 1022.314
2/15/2017-2/17/2017	\$ 13,470.00	T&A Production Inc	§ 1022.314
2/25/2017-2/27/2017	\$ 16,346.69	T&A Production Inc	§ 1022.314
3/4/2017-3/6/2017	\$ 18,659.90	T&A Production Inc	§ 1022.314
3/10/2017-3/13/2017	\$ 17,584.76	T&A Production Inc	§ 1022.314
3/27/2017-4/1/2017	\$ 27,415.00	T&A Production Inc	§ 1022.314
4/12/2017-4/15/2017	\$ 29,746.00	T&A Production Inc	§ 1022.314
4/17/2017-4/20/2017	\$ 25,172.23	T&A Production Inc	§ 1022.314
4/24/2017-4/29/2017	\$ 13,781.47	T&A Production Inc	§ 1022.314
6/3/2017-6/5/2017	\$ 16,535.78	T&A Production Inc	§ 1022.314
6/14/2017-6/21/2017	\$ 34,138.50	T&A Production Inc	§ 1022.314
6/26/2017-6/29/2017	\$ 10,687.40	T&A Production Inc	§ 1022.314
3/3/2017-3/8/2017	\$ 28,668.26	T&T Industry Inc	§ 1022.314
3/10/2017-3/13/2017	\$ 11,971.55	T&T Industry Inc	§ 1022.314
4/22/2017-4/28/2017	\$ 38,972.65	T&T Industry Trading Inc	§ 1022.314
5/15/2017-5/22/2017	\$ 28,294.95	T&T Industry Trading Inc	§ 1022.314
5/27/2017-5/30/2017	\$ 19,038.75	T&T Industry Trading Inc	§ 1022.314
5/15/2017-5/16/2017	\$ 11,747.25	Tammy Place	§ 1022.314
5/27/2017-5/30/2017	\$ 11,322.75	Tammy Place	§ 1022.314
2/4/2017-2/6/2017	\$ 19,630.25	W.C. Tech Corp	§ 1022.314
2/21/2017-2/24/2017	\$ 28,838.50	W.C. Tech Corp	§ 1022.314
7/7/2017-7/10/2017	\$ 13,733.00	Zenzen Production Inc	§ 1022.314
7/20/2017-7/21/2017	\$ 18,857.41	Zenzen Production Inc	§ 1022.314
	<b>\$ 2,696,927.26</b>		



**CERTIFICATE OF SERVICE**

I, **Catherine Wilkinson**, declare:

That I am a citizen of the United States and a resident of or employed in Los Angeles County, California; that my business address is the Office of United States Attorney, 312 North Spring Street, Los Angeles, California 90012; that I am over the age of 18; and that I am not a party to the above-titled action;

That I am employed by the United States Attorney for the Central District of California, who is a member of the Bar of the United States District Court for the Central District of California, at whose direction I served a copy of:

**Plea Agreement**

- |  |   |
|--|---|
| <input type="checkbox"/> Placed in a closed envelope for collection and inter-office delivery, addressed as follows: | <input type="checkbox"/> Placed in a sealed envelope for collection and mailing via United States mail, addressed as follows: |
| <input type="checkbox"/> By hand delivery, addressed as follows:   | <input type="checkbox"/> By facsimile, as follows:  |
| <input checked="" type="checkbox"/> Via email, as follows:   | <input type="checkbox"/> By Federal Express, as follows:  |

**sleen@bsfl1p.com**

This Certificate is executed on **November 20, 2023**, at Los Angeles, California. I certify under penalty of perjury that the foregoing is true and correct.

*Catherine Wilkinson*

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Catherine Wilkinson  
Legal Assistant